40-4 The Commonwealth of Massachusetts

Office of Campaign & Political Finance One Ashburton Place, Boston 02108

727-8352

February 16, 1984 AO-84-4

Senator Peter C. Webber Commonwealth of Massachusetts Massachusetts Senate State House Boston, MA 02133

Dear Senator Webber:

Dennis J. Duffin

This letter is in response to your recent request for an advisory opinion as to the application of G.L. c. 55, the Massachusetts campaign finance law, to certain campaign finance activities of your political committee.

You state that two individuals wish to make contributions to your political committee for the purpose of purchasing furnishings, and possibly providing operating expense money, for your district office in Pittsfield. You have raised several issues in your letters. Specifically, you have inquired as to the legality of "in kind" contributions of office furniture, and whether the value of the contribution should be based on the approximate retail value of the pieces or the actual amount paid for them by the contributor. You also ask about the legality of "in kind" contributions such as painting and woodwork refinishing, and whether the labor expended in these projects may be counted as volunteer work, or does it, also, have a value once the actual materials are bought by a contributor.

Section 6 of Chapter 55 states, in relevent part that political committees such as yours may:

"receive, pay and expend money or other things of value for the enhancement of the political future of the candidate or the principle, for which the committee was organized so long as such expenditure is not primarily for the candidate's or any other person's personal use..." Senator Peter C. Webber February 16, 1984 Page Two

Therefore, campaign contributions may be received and utilized by your political committee in a manner that is consistent with activities appropriately engaged in by your political committee. To the extent that your district office is used primarily for the purposes of your political committee, you may receive contributions for operating that office.

While in-kind contributions may be received by your political committee, they are subject to all limitation and prohibitions on contributions contained in ch. 55, including the \$1,000 limitation on individual contributions, and the absolute prohibitions on corporate contributions. To determine the amount of a contribution, the value of any office furniture should be based on the fair market value of the pieces at the time of the contribution. Any materials used for refurbishing such an office would also be in-kind contributions, with the value of the materials determined by their fair market value at the time of the contribution. Labor expended by individuals, which is voluntary, is not a contribution under C. 55, subject to the provisions set forth below.

C. 55, prohibits contributions by business corporations to candidate and political committees organized on their behalf. All in-kind contributions, whether they be furniture or materials, are subject to this prohibition. In addition, while volunteer work is not a contribution under the law, labor paid for by a corporate entity, such as labor expended during the course of a working day when the individual is receiving compensation from a corporation, may result in a prohibited corporate contribution.

This opinion has been rendered solely on the basis of facts as represented by you and no independent investigation of any of the above has been conducted by this office.

Please do not hestitate to contact me for any further information or advice.

very truly yours,

Dannia Ill Duffiell

Director

DJD/mam